

- Q. II-A-1 Provide a schedule showing the test year rate base and rates of return at original cost less accrued depreciation under present rates and under proposed rates. Claims made on this schedule should be cross-referenced to appropriate supporting schedules.
- A. II-A-1 Refer to Schedule A-1 in Exhibits MJT-1 and MJT-2, for the fully projected future test year and the future test year, respectively, and Schedule A-1 of Exhibit MJT-3 for the historic year. The referenced schedules are discussed in PECO Statement No. 3, the direct testimony of Michael J. Trzaska.

Q. II-A-2 If the schedule provided in response to item 1, is based upon a future test year, provide a similar schedule which is based upon actual data for the 12-month period immediately prior to the test year.

A. II-A-2 Refer to PECO Exhibit MJT-3, Schedule A, and PECO Statement No. 3, the direct testimony of Michael J. Trzaska.

Q. II-A-3

When a utility files a tariff stating a new rate based in whole or in part on the cost of construction, as defined in 66 Pa. C.S. § 1308(f) (relating to voluntary changes in rates), of an electric generating unit, the utility shall identify:

- a. The total cost of the generating unit.
- b. The following costs:
 - (1) The cost and quantity of each category of major equipment, such as switchgear, pumps or diesel generators and the like.
 - (2) The cost and quantity of each category of bulk materials, such as concrete, cable and structural steel and the like.
 - (3) Manual labor
 - (4) Direct and indirect costs of architect/engineering services
 - (5) Direct and indirect costs of subcontracts or other contracts involving major components or systems such as turbines, generators, nuclear steam supply systems, major structures and the like.
 - (6) Distributed costs.
- c. A cost increase of \$5 million or more, including AFUDC, over the original utility estimates provided under 66 Pa. C.S. § 515(a) (relating to construction cost of electric generating units) and its causes.
- d. Compliance with subsections (a) and (b) will be identical in format and substance as that provided under 52 Pa. Code § 57.103 (relating to estimate of construction costs) for original cost estimates submitted under 66 Pa. C.S. § 515(a).

A. II-A-3

Not applicable. PECO does not own any generation but instead purchases power from wholesale generation suppliers and the PJM capacity and energy market to serve its default service customers.